

VERTAC, INC.



SUITE 2414 • 5100 POPLAR • MEMPHIS, TN 38137 • 901-767-6851

January 18, 1979

TO ALL VERTAC EMPLOYEES:

Now that Vertac, Inc., has been successfully operating under our Plan of Arrangement for approximately two months, I am pleased to report that preliminary results for the year end December 31, 1978, indicate that the Plan is viable and that we are a financially stable company.

In order to more effectively increase managerial controls and streamline business functions, our next move forward was to consolidate the corporate entities. Consequently, effective on December 31, 1978, Vicksburg Chemical Company, Transvaal, Inc., Eagle River Chemical Corporation, and Magnolia Agri Supply were merged into Vertac, Inc., and plant identifications are now being modified as follows:

VERTAC, INC.

Vicksburg Plant (Mississippi)

Jacksonville Plant (Arkansas)

West Memphis Plant (Arkansas)

West Helena Plant (Arkansas)

Jackson Plant (Mississippi)

Your management team is very optimistic about the future of the company, and once again we extend to you our appreciation for your support and cooperation.

Sincerely,

R. S. Kirk
President

RECEIVED

RSK:ap

9349654



JAN 26 1979

6AEP